

## Message Text

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FM AMEMBASSY ISLAMABAD

TO SECSTATE WASHDC 1030

INFO AMEMBASSY COLOMBO

AMEMBASSY DACCA

AMEMBASSY KABUL

AMCONSUL KARACHI

AMEMBASSY KATHMANDU

AMCONSUL LAHORE

AMEMBASSY LONDON

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CINCPAC

C O N F I D E N T I A L SECTION 1 OF 4 ISLAMABAD 6404

CINCPAC FOR POLAD

E.O. 11652: GDS

TAGS: PINT, PGOV, PINS, PK

SUBJ: PAKISTAN QUARTERLY INTERNAL  
POLITICAL ASSESSMENT

SUMMARY: PRIME MINISTER BHUTTO CONTROLS THE GOVERNMENT  
OF PAKISTAN AND WILL CONTINUE TO DO SO FOR THE FORE-  
SEEABLE FUTURE. THERE IS NO ONE WITHIN HIS PAKISTAN  
PEOPLES' PARTY WHO CAN CHALLENGE HIM FOR NATIONAL  
LEADERSHIP AND THE OPPOSITION IS LARGELY IMMOBILIZED.  
HOWEVER, HIS ABILITY TO TRANSLATE HIS PERSONAL PRE-  
EMINENCE INTO FULL CONTROL IN PUNJAB AND SIND HAS  
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BEEN IMPAIRED BY FACTIONAL FIGHTING IN THESE KEY PRO-

VINCES, AND HIS NATIONWIDE POPULARITY HAS BEEN ADVERSELY AFFECTED BY ECONOMIC DISCONTENT AND RESENTMENT OVER HIS AUTHORITARIAN MANNER.

SINCE MARCH, BHUTTO HAS FOCUSED HIS ATTENTION LARGELY ON DOMESTIC PROBLEMS. HIS APPROACH TO FACTIONAL SQUABBLING IN THE PPP HAS INVOLVED BROAD CONSULTATION WITH PARTYMEN AND HAS OFTEN GIVEN A PUBLIC IMAGE OF INDECISIVENESS.

OF THE PROVINCES, PUNJAB HAS BEEN THE MOST TROUBLESOME. THE EXIT OF THE CHIEF MINISTER AND THE EXPECTED DEPARTURE OF HIS RIVAL THE GOVERNOR SEEM LIKELY TO REDUCE THE PROBLEM OF PARTYINFIGHTING, BUT THE PROVINCIAL STRUGGLE FOR POWER, WHICH HAS INVOLVED A REVIVAL OF THE ISSUE OF PUNJABI CHAUVINISM, COULD HAVE LONG TERM EFFECTS DETRIMENTAL TO BHUTTO AND WORRISOME FOR NATIONAL UNITY. THE NEW GOVERNMENT IN THE NORTH WEST FRONTIER PROVINCE IS SETTLING IN. IT HAS ATTRACTED FRESH ADHERENTS FROM ITS COALITION PARTNER, BUT NO FROM ITS RIVAL, THE NATIONAL AWAMI PARTY. THE BAN ON THAT PARTY IS NOW BEING TESTED IN THE SUPREME COURT. BALUCHISTAN REMAINS RELATIVELY QUIESCENT. SIND IS STILL TROUBLED BY PPP RIVALRIES. BHUTTO HAS FURTHER STRENGTHENED HIS CONTROL OVER AZAD KASHMIR BY ORDERING THE INSTALLATION OF A PEOPLES' PARTY GOVERNMENT THERE FOLLOWING A RIGGED ELECTION.

PAKISTAN'S SLIDE TOWARDS AUTHORITARIANISM HAS NOT BEEN REVERSED. IN THE SHORT-TERM, THIS TREND IS EXPECTED TO PUSH THE OPPOSITION AND OTHER CRITICS INTO MORE OPEN CONFRONTATION WITH THE GOVERNMENT. ITS LONG TERM IMPLICATIONS ARE MORE SERIOUS FOR PAKISTAN'S REGIONAL COHESION, THE SURVIVAL OF ITS DEMOCRATIC FRAMEWORK, AND THE MAINTENANCE OF ITS ORDER AND STABILITY.

THIS REPORT INCLUDES CONTRIBUTIONS FROM THE CONSULATES GENERAL AT KARACHI AND LAHORE AND THE PESHAWAR CONSULATE.. END SUMMARY.  
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#### 1. CONTROL OVER THE FEDERAL GOVERNMENT

A. PRIME MINISTER ZULIFIKAR ALI BHUTTO STILL CONTROLS THE GOVERNMENT OF PAKISTAN AND STILL RUNS WHAT IS ESSENTIALLY A ONE-MAN SHOW. THERE IS NO ONE WITHIN HIS PARTY WHO CAN CHALLENGE HIM FOR NATIONAL LEADERSHIP AND THE OPPOSITION IS LARGELY IMMOBILIZED.

NOT THAT EVERYTHING IS GOING HIS WAY: THE GOVERNMENT APPARATUS IS CREAKY AND SLOW TO IMPLEMENT HIS WISHES; HIS EIGHT MONTH OLD RECONSTITUTED CABINET POLDS ALONG; HIS ABILITY TO TRANSLATE HIS PERSONAL PREEMINENCE IN THE PARTY AND CONTROL OVER THE FEDERAL GOVERNMENT INTO CONTROL OVER THE PARTY AND GOVERNMENT IN THE PUNJAB AND THE PARTY IN SIND IS SLIPPING BECAUSE OF THE ASSERTIVENESS OF HIS LIEUTENANTS AND FACTIONAL INFIGHTING; HIS POPULARITY HAS BEEN ADVERSELY AFFECTED BY ECONOMIC DISCONTENT AND RESENTMENT OVER HIS AUTHORITARIAN MANNER. ON THE OTHER HAND, THE FEDERAL AND PROVINCIAL BUDGETS, JUST PRESENTED, HAVE GENERALLY BEEN WELL RECEIVED. OPPOSITION PARTIES ARE NO THREAT TO THIS RULE: WITH NAP BANNED AND THE OTHER LEMENTS OF THE UDF BOYCOTTING PARLIAMENT THEY HAVE BEEN VIRTUALLY WITHOUT A PUBLIC FORUM IN WHICH TO BROADCAST THEIR CRITICISM.

B. BHUTTO HAS CONCENTRATED HIS EFFORTS SINCE MARCH ON SEEKING SOLUTIONS TO HIS DOMESTIC PROBLEMS IN THE PROVINCES. HE HAS TRAVELED EXTENSIVELY, TRYING TO FORGE UNITY IN THE FACTION-RIDDEN PAKISTAN PEOPLES' PARTY (PPP) IN PUNJAB AND SIND AND TO BEEF UP ITS MEMBERSHIP AND ORGANIZATIONAL STRUCTURE IN BALUCHISTAN AND NWFP. HE HAS HELD SERIES OF MEETINGS WITH PARTY LEGISLATORS AND SMALL PUBLIC GROUPS TO EXPLORE OUT-STANDING PARTY AND PUBLIC GRIEVANCES AND FIND ACCEPTABLE SOLUTIONS. ALTHOUGH HIS PURPOSE IN ADOPTING THIS DELIBERATE APPROACH TO POLITICAL AND POLICY PROBLEMS MAY WELL BE TO DISARM HIS SQUABBLING PARTYMEN, THE PUBLIC IMPRESSION IT HAS CREATED HAS FREQUENTLY BEEN ONE OF INDECISIVENESS.

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## 2. CONSOLIDATING THE PERIPHERAL AREAS

A. NWFP. EARLY IN THE REPORTING PERIOD THE PRIME MINISTER TURNS HIS ATTENTION TO RECONSTITUTING THE GOVERNMENT COALITION AND HIS PARTY IN THE NWFP, BOTH SHAKEN BY THE ASSASSINATION OF SENIOR MINISTER SHERPAO IN FEBRUARY. HE CHOSE AS HIS INSTRUMENT HIS PERSONAL FRIEND AND EARLY PPP SUPPORTER, NASRULLAH KHAN KHATTAK,

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MAKING HIM PROVINCIAL PARTY LEADER AND THEN CHIEF MINISTER. KHATTAK PRESIDES OVER A SMALLER CABINET AND A STILL DISGRUNTLED AND DISUNITED GOVERNING COALITION. ALTHOUGH THE NAP HAS BEEN BANNED AND ITS PROVINCIAL LEADER WALI KHAN JAILED, PARTY MEMBERS HAVE ALMOST ALL REMAINED LOYAL. WHAT HEADWAY NASRULLAH HAS MADE IN ATTRACTING NEW MEMBERS TO THE PPP HAS LARGELY BEEN AT THE EXPENSE OF THE QAIYUM MUSLIM LEAGUE (QML), A COALITION PARTNER. MANY OF THE QML DEFECTIONS HAVE APPARENTLY RESULTED FROM GOVERNMENT PRESSURE.

B. ADHERENTS OF THE KHATTAK-LED COALITION ARE REPORTEDLY DISENCHANGED BECAUSE SO FEW GAINED CABINET  
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POSITIONS AND BECAUSE IT IS MORE DIFFICULT THAN BEFORE TO OBTAIN GOVERNMENT PATRONAGE FOR THEMSELVES AND THEIR SUPPORTERS. THERE ARE RUMORS THAT THIS COULD LEAD TO A MINI-REVOLT DURING THE SECRET ASSEMBLY BALLOTING FOR SENATE ELECTIONS IN LATE JULY. CONVERSELY, CO-

ALITION DISCONTENT MAY REFLECT GREATER DISCIPLINE AND LESS CORRUPTION IN A PROVINCE NOTED FOR ITS POOR GOVERNANCE IN PAST YEARS. UNLIKE HIS RECENT PREDECESSORS AS NWFP CHIEF MINISTER, NASRULLAH ENJOYS THE PM'S CONFIDENCE. THE FRONTIER PUBLIC, HOWEVER, DOES NOT APPEAR TO BE PARTICULARLY IMPRESSED WITH THE CHIEF MINISTER AND HIS CABINET. THE PROVINCE CONTINUES TO BE TROUBLED BY SEVERE SHORTAGE OF BASIC WELFARE SERVICES, AGRICULTURAL AND COMMERCIAL INFRASTRUCTURE, AND IN THE CITIES, BY THE HIGH PRICE AND OCCASIONAL SHORTAGES OF BASIC COMMODITIES. THE FARMERS HAVE HAD A BETTER THAN EXPECTED (XWT STILL LOW) CROP OF WHEWX AND TOBAROO AS THE RESULT OF GOOD SPRING RAINS AND THE NEW PROVINCIAL AND FEDERAL BUDGETS WERE GENERALLY WELCOMED.

C. AZAD KASHMIR. ANOTHER AREA OF CHANGE AND CONSOLIDATION HAS BEEN AZAD KASHMIR. FAILING TO REACH AGREEMENT WITH THE POPULAR BUT INDEPENDENT-MINDED SARDAR ABDUL QAAYYUM, THE PPP FORGED AN ALLIANCE WITH ALL AK OPPOSITION PARTIES. THEY PUSHED THROUGH A CAMPAIGN AND POLL WHICH, BY ALL ACCOUNTS, WAS CONSPICUOUSLY FRAUDULENT. THE AZAD KASHMIR PEOPLES' PARTY (AKPP) WON 22 SEATS OUTRIGHT, NOW PARLAYED INTO 34 VOTES IN A HOUSE OF 42. THE OTHER ALLIANCE PARTIES HAD HOPED TO BE INCLUDED IN A COALITION GOVERNMENT. THEY WERE, HOWEVER, UNCEREMONIOUSLY IGNORED, EVIDENTLY ON THE INSTRUCTIONS OF THE PAK PRIME MINISTER. BOTH AK PRESIDENT SARDAR ABDUL IBRAHIM KHANCRKWHO FORGED THE ALLIANCE) AND STATE PRIME MINISTER KHAN ABDUL HAMID KHAN (AKPP SHIEF), ARE EXPECTED TO ACQUIESCE IN THE EXTENSION OF BHUTTO'S CONTRON OVER AK AFFAIRS. WHILE AZAD KASHMIRIS ARE APPRECIATIVE OF THE BADLY-NEEDED GOP DEVELOPMENT FUNDS, WE UNDERSTAND THAT THEY CONTINUE TO BE PRIVATELY SKEPTICAL OF THE GOP BONA

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FIDES IN PURSUING THE "KASHMIR DISPUTE" WITH INDIA AND ARE RESENTFUL BUT LARGELY RESIGNED TO GOP POLITICAL CONTROL.

D. NORTHERN ARDPS. IN THE "NORTHERN AREAS" OF GILGIT, HUNZA AND BALTISTAN, THE GOP HAS ANNOUNCED THAT ELECTIONS TO LOCAL ADVISORY COUNCILS WILL BE HEOLD

IN SEPTEMBER. THIS, REPORTEDLY, WILL BE THE FIRST ELECTION EVER BASED ON UNIVERSAL ADULT FRANCHISE THERE. WE PRESUME THAT THE GOP, WITHOUR RELINQUISHING CONTROL, HAS GIVEN THESE BODIES LIMITED POWERS OVER LARGELY WELFARE-ORIENTED SUBJECTS, TO BE FUNDED BY GOP GRANTS.

E. BALUCHISTAN. BALUCHISTAN REMAINS RELATIVELY QUIESCENT. THERE HAVE BEEN FEW LEADERSHIP CHANGES IN THE CABINET, BUREAUCRACY OR ARMY COMMAND. THE PRIME MINISTER'S VISIT TO THE PROVINCE IN LATE APRIL WAS NOT THE USUAL "MEET THE PEOPLE" TOUR BYT WAS LIMITED TO MORALE-RAISING SPEECHES TO THE TROOPS, SOME LECTURES ON THE NEED TO REMOVE CORRUPTION GIVEN TO GOVERNMENT FUNCTIONARIERS AND SOME ATTEMPTS TO ENLARGE AND IMPROVE THE PROVINCIAL PPP. ONE DEFECTION FROM NAP GAVE THE PPP ALONE A BARE MAJORITY IN THE PROVINCIAL ASSEMBLY. THE RULING COALITION LOST, HOWEVER, THE SUPPORT OF THE PAKHTOONKHWA-NAP REPRESENTATIVE WHO MOVED TO THE OPPOSITION BENCHES.

F. BHUTTO'S STRAGEGY IN BALUCHISTAN CONTINUES TO BE TO MAKE USE OF ECONOMIC DEVELOPMENT AND A STRONG MILITARY PRESENCE TO REDUVW PROVINCIAL GRIEVANCES AND QUELL TRIBAL INSURGENCY. DESPITE EARLIER RUMORS OF CONCILIZFORY MOVES, BHUTTO APPARENTLY DOES NOT FEEL IT NECESSARY TO MAKE ANY ACCOMMODATION WIT THE STILL JAILED NAP TRIBAL CHIEFTAINS. THERE SEEMS TO BE NEAR-UNANIMOUS AGREEMENT THAT ANTI-GOP GUERRILLA ACTIVITY IN BALUSHISTAN HILLS HAS BEEN ALL BUT COMPLETELY SUPPRESSED BY THE ARMY. NEVERTHELESS, THE DISCOVERY OF SEVERAL LARGE ARMS CACHES, STOLEN DYNAMITE AND TWO TRUCKLOADS OF GUNS ARE A REMINDER OF CONTINUING LOW-LEVEL TRIBAL DISSIDENCE (AS WELL AS OF OLD-FASHIONED DACOITY). THIS LEVEL OF DISSIDENCE IS AN CONFIDENTIAL

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OLD STORY IN THE PERIPHERAL AREAS OF PAKISTAN AND IS NOT PARTICULARLY WORRISOME. IT PROBABLY CANNOT BE FURTHER IMPROVED BY MILITARY MEANS.

### 3. TROUBLE IN THE HEARTLAND

A. PPP CONTROL OVER THE GOVERNMENT OF THE PUNJAB IS UNQUESTIONED. THE PARTY AND ITS SUPPORTERS HOLD 169 SEATS IN A HOUSE OF 186. NEVERTHELESS, BHUTTO'S ABILITY TO EXERT HIS AUTHORITY IS CIRCIMSCRIBED THERE BY THE PERSISTENCE OF PARTY INFIGHTING. THE STRUGGLE FOR POWER BETWEEN CHIEF MINISTER RAMAY AND GOVERNOR KHAR HAS PARALYZED THE PROVINCIAL ADMI KYTRATION, EXPOSED PPP

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DIRTY LINEN, OPENED THE PUBLIC AND PARTY CONTROVERSY OVER  
THE COMPATIBILITY OF ISLAM AND SOCIALISM, AND REVIVED THE  
ISSUE OF PUNJABI CHAUVINISM. KHAR WAS UNWILLING TO  
BECOME THE FPDP-EFFACING LEADER BHUTTO WANTED FOR THE  
PROVINCE AND REPORTEDLY THREATENS (PRIVATELY) TO BREAK  
WITH BHUTTO UNLESS HE WAS ALLOWED TO DEVELOP A POWER BASE  
OF HIS OWN IN PUNJAB. THE PM HAS NOT ACCEDED TO THESE  
DEMANDS. THE CHIEF MINISTER HAS BEEN OBLIGED TO RESIGN  
AND THE GOVERNOR SEEMS CERTAIN TO FOLLOW. KHAR'S CLAIM THAT  
HE CAN TAKE FIFTY LEGISLATORS WITH HIM SEEMS EXAGGERATED  
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BUT EVEN IF FOUND TRUE IT WOULD NOT THREATEN PPP CONTROL OF THE PROVINCE. IN THE SHORT-TERM, THE HEAT OF THE INFIGHTING WILL BE LESSENER BY REMOVAL FROM OFFICE OF THE TWO RIVALS.

B. THERE ARE SEVERAL DISTURBING LONG-TERM IMPLICATIONS TO THIS STRUGGLE. ANY RULER OF PAKISTAN REQUIRES SOLID SUPPORT IN THE COUNTRY'S PUNJAB HEART-

LAND: IF BHUTTO'S POSITION THERE IS ERODED OVER TIME, HE COULD BE IN SERIOUS TROUBLE. ADDITIONALLY, THE DEVELOPMENT OF PUNJABI CHAUVINISM CAN ONLY EXACERBATE SINDHI, PATHAN AND BALUCH FEELINGS OF BEING THKWUMDLLER, DEPRIVED PARTNERS IN A MULTI-NATIONAL PAKISTAN STATE, FURZBER FUELING THE REGIONAL PROBLEMS WHICH HAVE BEEN A RECURRING THREAT TO PAKISTAN'S UNITY.

C. WE REPORTED LAST QUARTEGRTHENAROP IN THE PRIME MINISTER'S POPULARITY AS EVIDENCED BY THE DISPLAY OF LARGELY ECONOMIC DISCONTENT DURING HIS WINTER TOURS OF THE PUNJAB. RURAL GRIEVANCES SEEM TO HAVE ABATED SOMEWHAT AS THE RESULT OF RATHER BETTER THAN EXPECTED SUPPLIES OF WHEAT (WHICH LOWERED THE MARKET PRICE TO RURAL CONSUMERS) AND AN ENHANCED GOVERNMENT PROCUREMENT PRICE (WHICH PERMITS THE FARMERS A MODEST PROFIT). THERE HAS BEEN, HOWEVER, ADDITIONAL DISCONTENT IN THE CITIES FOLLOWING THE INCREASE IN PRICES OF GOVERNMENT SUBSIDIZED FOOD, ANNOUNCED IN APRIL. DESPITE GOVERNMENT ATTEMPTS AT PRICE CONTROLS, INFLATION CONTINUES. THE NATIONAL AND PROVINCIAL BUDGETS WERE WELCOMED BECAUSE INCREASED TAXES -- WIDELY PREDICTED AND GREATLY FEARED -- DID NOT MATERIALIZE. IN HIS TALKS WITH PARTY SUPPORTERS AND LEGISLATORS BHUTTO CONTINUED TO HEAR COMPLAINTS AGAINST AN UNRESPONSIVE AND CORRUPT LOCAL ADMINISTRATION. AS ALWAYS, THE DEMAND FOR GOVERNMENT-PROVIDED GOODS AND SERVICES EXCEEDS AVAILABLE RESOURCES. ASIDE FROM HIS GOVERNMENT'S POLICIES, BHUTTO'S OWN IMAGE HAS BEEN ADVERSELY AFFECTED BY THE KHAR-RAMAY STRUGGLE. THE PERSISTENCE OF THE OPEN RIVALRY HAS GIVEN THE PUBLIC THE IMPRESSION THAT THE PM HAS BEEN INDECISIVE OR ELSE THAT HIS INSTRUCTIONS HAVE BEEN FLOUTED BY AN UNRESTRAINED KHAR. EITHER

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INTERPRETATION IS SEEN AS WEAKNESS IN COMPARISON WITH BHUTTO'S POSITION A YEAR OR MORE AGO.



4. IN SIND, BHUTTO RUNS IN PLACE.

A. IUN SIND, THERE HAS NOT BEEN MUCH CHANGE. THE JATOI GOVERNMENT CONTINUES TO BE FAIRLY EFFECTIVE AND POPULAR IN THE COUNTRYSIDE. THE RIVALRY BETWEEN THE CHIEF MINISTER AND FEDERAL COMMUNICATIONS MINISTER MUMTAZ ALI BHUTTO, LARGELY FOUGHT OUT IN PARTY CIRCLES AND LESS PUBLICLY THAN IN THE PUNJAB, FLARED UP IN APRIL/MAY. IN LATE MAY, THE PRIME MINISTER JOURNEYED TO KARACHI TO SPEAK TO SINDHI LEGISLATORS ABOUT THE DANGERS OF PARTY FACTIONALISM AND SOME MEASURES WERE TAKEN TO REDUCE THE FRICTION CAUSED BY MUMTAZ' SUPPORTERS. THE PRIME MINISTER'S EFFORTS HAVE TEMPORARILY RESULTED IN A PATCHING UP OF DIFFERENCES BUT WE DOUBT WHETHER MUMTAZ -- WITH AMBITION FOR MONEY AND POWER YET UNQUENCHED -- CAN BE SO EASILY RESTRAINED.

B. THE UNDERCURRENT OF SINDHI-MUHAJIR AND OTHER ETHNIC GROUP RIVALRY FLARED UP INTO VIOLENCE ON SEVERAL OCCASIONS. INADEQUATE MUNICIPAL SERVICES, PLUS OLD RIVALRIES AND PLAIN IRRITABILITY ALSO CONTRIBUTED TO A SERIES OF LOCAL CLASHES.

C. IN SIND, AS ELSEWHERE, INFLATION INSIDIOUSLY IMPROVERISHES THE ALREADY ADULTERATED DIET OF THE URBAN POOR AND THREATENS THE PRECARIOUS ECONOMIC AND SOCIAL STATUS BI THE WHITE-COLLAR MIDDLE CLASS. UNEMPLOYMENT HAS NOT BEEN REDUCED ALTHOUGH A FEW SKILLED PROFESSIONALS AND WORKERS CONTINUE TO ESCAPE LACK OF OPPORTUNITY HERE BY EMIGRATING TO ARAB LANDS. THE SINDHI FARMERS HAVE BEEN HIT BY ERRATIC WEATHER AND HURT MOST BY THE LOW WATER LEVEL IN CANALS LAST WINTER. BUSINESSMEN ARE UNCERTAIN ABOUT THE FUTURE OF THE ECONOMY IN GENERAL AND OF THEIR OWN ENTERPRISES' PROFITABILITY IN PARTICULAR. DESPITE A GENERAL FEELING OF RELIEF OVER THE ECONOMIC MEASURES ANNOUNCED IN THE BUDGET, BHUTTO'S GOVERNMENT IS BLAMED FOR THE DEPRESSED INVESTMENT CLIMATE. KARACHI POLITICAL OBSERVERS ARE TROUBLED BY BHUTTO'S "ARROGANCE" IN DEALING WITH THE OPPOSITION PARTIES AND EMASCQ ATION OF THE LEGISLATURES.

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5. OPPOSITION GROUPS AND CRITICS

A. BHUTTO CONTINUES TO TAKE A HARD LINE AGAINST HIS OPPONENTS AND CRITICS. THERE WERE NO SIGNS THAT THE PM WAS SEEKING AN ACCOMMODATION WITH THE NAP NOR, UNTIL RECENTLY, WITH THE OTHER ELEMENTS OF THE UNITED DEMOCRATIC FRONT (UDF). THE GOP IS SEEKING SUPREME COURT APPROVAL OF ITS BANNING OF NAP, LABELING IT SECESSIONIST. MUCH OF THE GOVERNMENT'S CASE IS HISTORICAL, DESIGNED, IT WOULD SEEM, TO APPEAL TO THE PUNJABI AND

SINDHI DISTRUST OF THE OLD RED SHIRT LEADER, GHAFAR KHAN. THE ATTACK IS LARGELY DIRECTED AT WALI KHAN, HIS SON. AS THE RESULT OF THE NAP BELIEVE THAT THE

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COURT IS STACKED AGAINST IT AND, SECONDARILY, ITS INABILITY TO MEET THE HIGH COST OF LEGAL TALENT, THE PARTY HAS ABANDONED ITS EFFORTS AT ITS OWN DEFENSE. WHILE THE COURT HAS APPOINTED DEFENSE COUNSEL (AMICUS CURIAE), NAP HAS PROBABLY WEAKENED ITS CHANCES OF SUCCESS. THE COURT SEEMS TO BE MAKING EVERY ATTEMPT TO APPEAR TO BE FAIR AND TO COMPLETE THE HEARINGS BEFORE ITS JULY 25 - AUGUST 15 VACATION BEGINS.

SHOULD NAP WIN THE PRESENT CASE, SELECTED LEADERS  
STILL HAVE TO FACE CHARGES OF SABOTAGE IN A CASE  
BEFORE THE SIND-BALUCHISTAN SPECIAL TRIBUNAL. BECAUSE  
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OF RELAXED RULES OF EVIDENCE AND POLITICAL PRESSURE ON  
THE LONE JUDGE, THERE IS EVERY LIKELIHOOD THAT SOME OF  
THE ACCUSED (ALTHOUGH PERHAPS NOT WALI KHAN) WILL BE  
IMPRISONED AND MADE TO FORFEIT THEIR PROPERTY.

B. THE OTHER PARTIES IN THE OPPOSITION HAVE  
CONTINUED THEIR PARLIAMENTARY BOYCOTT, PROTESTING  
THAT GOVERNMENT TACTICS HAVE MUZZLED THEM IN THE  
ASSEMBLIES AND DISTORTED THEIR POSITIONS BEFORE THE  
PUBLIC THROUGH GOP MANIPULATION OF THE NEWS MEDIA.  
DESULTORY NEGOTIATIONS HAVE GONE ON: IT APPEARS THAT  
THE UDF IS MORE ANXIOUS TO RETURN THAN THE GOP IS  
WILLING TO HAVE THEM BACK ALTHOUGH THE PM'S BUDGET  
SPEECH WAS MORE ACCOMMODATING THAN BEFORE. OPPOSITION  
GROUPS NOW PLAN A SPEAKING TOUR OF ALL PROVINCES,  
WHICH COULD BRING THEM INTO CONFRONTATION WITH LOCAL  
LAW ENFORCEMENT OFFICIALS, GIVEN THE GOVERNMENT'S  
FREQUENT PRACTICE OF PROHIBITING PUBLIC MEETINGS.  
WHILE THE PUBLIC GENERALLY QUESTIONS THE UTILITY AND  
WISDOM OF THE BOYCOTT OF THE ASSEMBLIES, AND FINDS  
THE OPPOSITION LEADERSHIP TO BE UNINSPIRING IF NOT  
CLUMSY, THE GOVERNMENT'S FREQUENT USE OF FORCE AND  
LEGAL HARRASSMENT AGAINST THEM ALSO COMES IN FOR  
WIDESPREAD CRITICISM.

C. AMONG OTHER GROUPS OFTEN CRITICAL OF THE  
GOVERNMENT, THE STUDENT COMMUNITIES ARE MUCH MORE  
QUIET THAN LAST QUARTER, ALTHOUGH SMALL CLASHES CON-  
TINUE BETWEEN CAMPUS RIVALS. BLUE COLLAR STRIKES  
IMMEDIATELY AFTER THE ANNOUNCEMENT OF PRICE RISES  
IN APRIL TAPERED OFF QUICKLY AND FAILED TO TAKE A  
POLITICAL TURN. THE GOVERNMENT-SPONSORED TRIPARTITE  
LABOR CONFERENCE IN LATE MAY GAVE LABOR LEADERS A  
CHANCE TO "LET OFF STEAM" WITHOUT, HOWEVER, CHANGING  
THEIR VIEW THAT GOP DISTRUSTS AND MUZZLES LABOR  
UNIONS. PROFESSIONALS AND MIDDLE-LEVEL GOVERNMENT  
EMPLOYEES RECEIVED SOME BOOSTS IN REMUNERATION AND STATUS  
IN THE RECENT BUDGETS, ALTHOUGH THEY ARE STILL THE  
MOST SQUEEZED BY INFLATION. OUR SOUNDINGS OF MILITARY  
OFFICERS (MOSTLY BRIGADIER  
AND ABOVE) STILL DISCLOSE  
SUPPORT FOR BHUTTO AS THE ONLY NATIONAL LEADER CAPABLE  
OF HOLDING THE COUNTRY TOGETHER AND DISTASTE FOR A  
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RETURN TO MILITARY RULE.

6. PROGNOSIS FOR THE FUTURE

A. THE SLIDE TOWARDS AUTHORITARIANISM -- SO NOTICEABLE LAST QUARTER -- HAS NOT BEEN REVERSED. THE AZAD KASHMIR ELECTION AND NASRULLAH'S VICTORY IN PESHAWAR WERE PATENTLY RIGGED. THE POWERS OF PARLIAMENT AND THE PROVINCIAL ASSEMBLIES WERE MORE CLEARLY EMASCULATED. THERE WAS A RENEWED OUTBURST OF GOVERNMENT INSTIGATED OR CONDONED VIOLENCE, CONSPICUOUS IN THE CASE OF ATTACKS ON REBELLIOUS MEMBERS OF THE RULING PARTY. THE FEDERAL SECURITY FORCE'S ROLE IN OBSTRUCTING THE ELECTION CAMPAIGN IN AZAD KASHMIR AND THE BUREAUCRACY'S COMPLICITY IN THE FRAUDULENT ELECTIONS ADDED TO THEIR ALREADY-TARNISHED PUBLIC IMAGE. IN THE SHORT-TERM THIS TREND IS EXPECTED TO PUSH THE OPPOSITION AND OTHER CRITICS INTO MORE OPEN CONFRONTATION WITH THE GOVERNMENT AND MORE FREQUENT CLASHES WITH THE POLICE. ITS LONG-TERM IMPLICATIONS ARE MORE SERIOUS FOR PAKISTAN'S REGIONAL COHESION, THE SURVIVAL OF ITS DEMOCRATIC FRAMEWORK, AND THE MAINTENANCE OF ITS ORDER AND STABILITY.

B. WE DO NOT EXPECT ANY CHANGE IN THE GOP'S CONTROL OVER ITS PERIPHERAL AREAS. THE GOVERNMENT WILL CONTINUE TO POUR DEVELOPMENT FUNDS INTO THE BALUCH/PATHAN TRIBAL AREAS, EXTEND AND EXPAND ITS AUTHORITY IN AZAD KASHMIR AND THE "NORTHERN AREAS." THE MOST DRAMATIC CHANGES ARE EXPECTED IN PUNJAB WHERE BHUTTO IS ABOUT TO INSTALL A NEW SET OF PERSONALITIES TO LEAD THAT TROUBLED PROVINCE. EVEN IF KHAR IS DISARMED BY REMOVING HIM FROM POWER, WE EXPECT THAT PETTY FACTIONALISM WILL REMAIN IN THE PUNJAB AS LOCAL ELITES VIE FOR POWER AND PATRONAGE. THE SENATE ELECTIONS THE LAST WEEK IN JULY WILL BRING IN SOME NEW FACES. CHANGES IN THE FEDERAL CABINET MAY BE THE RESULT OF SOME SHUFFLING OF PROVINCIAL GOVERNMENTS IN SIND AND PUNJAB. THE PRESIDENT IS EXPECTED TO RETIRE IN AUGUST. FOR THE FORESEEABLE FUTURE, HOWEVER, WE BELIEVE THAT BHUTTO WILL REMAIN ON TOP, DIRECTING THE SHOW.

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## Message Attributes

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